

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1242 - SB 1868**

March 12, 2011

**SUMMARY OF BILL:** Requires state departments, agencies, and entities to reduce paper and paper products by five percent annually starting on July 1, 2012.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Expenditures – Net Impact – \$100,000/FY12-13**  
**Net Impact – \$50,000/FY13-14**  
**Net Impact – Not Significant/FY14-15**

**Increase State Expenditures – Net Impact – Exceeds \$100,000/FY15-16 and  
Subsequent Years**

**Assumptions:**

- Based on information provided by multiple state departments and agencies, the net decrease in state expenditures will be approximately \$100,000 in FY12-13. The decrease in state expenditures resulting from reduced paper usage will outweigh increased expenditures associated with planning and development costs related to electronic document management.
- In FY13-14, the net decrease in state expenditures will be \$50,000 as certain departments and agencies begin increasing the utilization of laptop computers and other electronic means for document management. The decrease in state expenditures resulting from reduced paper usage continues to outweigh increased expenditures associated with planning and development costs related to electronic document management systems in FY13-14.
- In FY14-15, the net decrease in state expenditures will be not significant. The decrease in state expenditures from reduced paper usage will approximate increased state expenditures associated with the development, maintenance, and utilization of electronic document management systems.
- In FY15-16 and subsequent years, state expenditures for the continued development, maintenance, and utilization of electronic document management systems will outweigh expenditure reductions associated with reduced paper usage. The net recurring increase in state expenditures will exceed \$100,000 beginning in FY15-16.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and a middle initial "W." in between.

James W. White, Executive Director

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